

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATE FITZPATRICK | ELIZABETH FONTAINE | JOHN B. LANGAN | JAMES M. MACHADO | ROBERT B. MCCARTHY

MEMORANDUM

TO: Framingham Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: February 26, 2015

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

A revised FY16 appropriation memo including the allocation by unit will be sent to you shortly.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



Framingham Retirement System
January 1, 2014 Actuarial Valuation

Total Cost 5.0% increasing until FY29 with final payment FY30

Fiscal Year	Normal Cost	Net 3(8)(c)	Amort. of UAL	Total Cost	Unfunded Act. Liab.	Percent Increase Total Cost
2015	3,347,906	160,000	8,906,094	12,414,000	114,723,794	
2016	3,498,562	160,000	9,376,138	13,034,700	114,018,573	5.00%
2017	3,655,998	160,000	9,870,437	13,686,435	112,752,223	5.00%
2018	3,820,517	160,000	10,390,239	14,370,757	110,855,124	5.00%
2019	3,992,441	160,000	10,936,854	15,089,295	108,250,914	5.00%
2020	4,172,101	160,000	11,511,659	15,843,759	104,855,899	5.00%
2021	4,359,845	160,000	12,116,102	16,635,947	100,578,419	5.00%
2022	4,556,038	160,000	12,751,707	17,467,745	95,318,147	5.00%
2023	4,761,060	160,000	13,420,072	18,341,132	88,965,339	5.00%
2024	4,975,307	160,000	14,122,881	19,258,188	81,400,025	5.00%
2025	5,199,196	160,000	14,861,902	20,221,098	72,491,123	5.00%
2026	5,433,160	160,000	15,638,993	21,232,153	62,095,486	5.00%
2027	5,677,652	160,000	16,456,108	22,293,760	50,056,871	5.00%
2028	5,933,147	160,000	17,315,302	23,408,448	36,204,822	5.00%
2029	6,200,138	160,000	18,218,733	24,578,871	20,353,459	5.00%
2030	6,479,145	160,000	2,300,167	8,939,312	2,300,167	-63.63%
2031	6,770,706	160,000		6,930,706	0	-22.47%

Appropriation payments assumed to be made July 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$425,000

FY15 amount maintained at level of prior funding schedule